



FISCAL MEMORANDUM

SB 2077 - HB 2246

March 28, 2022

SUMMARY OF BILL AS AMENDED (016609): Prohibits a political subdivision from prohibiting the development and implementation of the types or sources of energy that may be used, delivered, converted, or supplied by specified entities. Voids local action if such action is, or acts as: a de facto prohibition of the siting, or a prohibition of construction, expansion, or maintenance, of energy, industrial or related transportation infrastructure; regulation or enforcement of safety standards for pipeline facilities or pipeline transportation; or a prohibition on the ability of a distributor, retailer, wholesaler, or other energy or industrial infrastructure entity to exercise its rights related to the siting of energy infrastructure or industrial infrastructure.

ESTIMATED FISCAL IMPACT OF BILL AS AMENDED:

Other Fiscal Impact – The proposed prohibition may result in a decrease in local fee revenue or foregone local fee revenue. An increase in state and local tax revenue may occur. Due to multiple unknown factors, the precise impact, if any cannot be determined with reasonable certainty.

Assumptions for the bill as amended:

- The proposed legislation does not apply to facilities that work with solar energy, does not affect the jurisdiction of a governmental entity charged with the oversight of public or electric utilities, and does not apply to localities using state-authorized land use action that is necessary to provide a public benefit, as long as the local action facilitates to the greatest extent possible the construction, expansion, or maintenance, of energy, industrial, or related transportation infrastructure.
- The proposed legislation allows localities to regulate energy and related industrial infrastructure along, over, or under highways and streets to reduce or prevent the risk of eminent threats to human safety resulting from the construction, maintenance, or expansion of this infrastructure. Allowable regulations include charging reasonable, cost-based compensation for the use of highways and streets. However, localities cannot use regulatory authority to prohibit the construction or expansion of energy and related industrial infrastructure.
- Prohibiting local governments from imposing certain fees may result in a decrease in local revenue or foregone local revenue.

- An increase in various state and local taxes could result due to increased production, business activity, and sales; however, such impact, if any is dependent on multiple unknown factors and cannot be reasonably determined.
- Due to multiple unknown factors, any such impact cannot be quantified with reasonable certainty.

IMPACT TO COMMERCE:

Other Commerce Impact – Due to multiple unknown variables, any impact on commerce or jobs in this state cannot be quantified with reasonable certainty.

Assumption for the bill as amended:

- Due to multiple unknown variables, any impact on commerce or jobs in this state cannot be quantified with reasonable certainty.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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